Product	Reduction in *ad valorem* excise duty rates effective from 16.6.04
Petrol	26%, down from 30%
Diesel	11%, down from 14%
LPG	8%, down from 16%

The burden of high international oil prices was also shared by OMCs by not passing the full impact of international oil prices in the increase of the domestic consumer prices of aforesaid products effective 16.6.2004. Further, OMCs did not increase the selling prices of PDS kerosene.

As regards the under recoveries of OMCs and annualized impact of the aforesaid reduction in excise duties on Government revenue, the same would *inter alia* depend upon the international oil prices, domestic selling prices of petroleum products, growth in demand, etc. during the remaining part of the year.

Re-appointment of contract engineers in EIL

748. SHRIMATI PREMA CARIAPPA:
SHRI MOTILAL VORA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Engineers India Limited (EIL) have axed more than 300 qualified engineers working on contract basis for a period ranging from 3 to 8 years;

(b) whether Government have received recommendations from a high level committee for their absorption/continuation of service; and

(c) if so, the steps taken by Government to re-appoint these contract engineers in EIL and other PSUs under the Ministry of Petroleum and Natural Gas?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) The contract engineers were recruited for specified periods to meet the short-term requirements of EIL and have been released on completion of their contract period/extended period or foreclosure of contract as per the terms and conditions of their appointment.

(b) and (c) The recommendations of the Committee on Subordinate Legislation were received by the Government. After examination, Action Taken Notes on these recommendations were sent to the Lok Sabha Secretariat. The recommendations could not be accepted by the Government in *toto*.

Hike in prices of petroleum products

†749. SHRIMATI SAVITA SHARDA:
SHRI DATTA MEGHE:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have recently hiked the prices of petrol, diesel and cooking gas;

(b) if so, the details thereof; and

(c) whether Government propose to reconsider the price hike keeping in view the large scale resentment among the masses?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) Taking into consideration the prevalent high international oil prices, the oil marketing companies (OMCs) sought to increase the consumer prices of petrol, diesel and domestic LPG and PDS kerosene. However, if the full impact of high international oil prices was passed entirely on to the consumers, it would have meant too much of a burden on them. Therefore, the Government decided to share the burden by reducing excise duties on petrol, diesel and LPG effective from 16.6.2004. The burden of high international oil prices was also shared by OMCs by not passing on the full impact of international oil prices in the increase of the domestic consumer prices of petrol, diesel and domestic LPG effective 16.6.2004. The retail selling prices of petrol, diesel and domestic LPG, in New Delhi were increased by Rs. 2/litre, Rs. 1/litre and Rs. 20/cylinder respectively. Further, OMCs did not increase the selling prices of PDS kerosene. There is no proposal to reconsider the increase in prices of petrol, diesel and domestic LPG.

Use of Kerosene Oil for Adulteration

750. SHRI DATTA MEGHE: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

†Original notice of the question was received in Hindi.